



DOL Technical Release No. 2013-03

II. Background

D. Affordable Care Act Guidance

1. Market Reforms – In General

The Affordable Care Act contains certain market reforms that apply to group health plans (the market reforms).

In accordance with Code § 9831(a)(2) and ERISA §732(a), the market reforms do **not** apply to a group health plan that has fewer than two participants who are current employees on the first day of the plan year, and,

in accordance with Code §9831(b), ERISA § 732(b), and PHS Act §§2722(b) and 2763, the market reforms also do **not** apply to a group health plan in relation to its provision of excepted benefits described in Code §9832(c), ERISA §733(c) and PHS Act §2791(c)

Accident

Disability

Dental & Vision

LTC

Health FSAs

Excepted
benefits
include,
among
other
things:

- accident-only coverage,
- disability income,
- certain limited-scope dental and vision benefits,
- certain long-term care benefits, and
- certain health FSAs.

The market reforms specifically addressed in this Technical Release are:

PHS Act § 2711 which provides that a group health plan (or a health insurance issuer offering group health insurance coverage) may not establish any **annual limit** on the dollar amount of benefits for any individual—this rule does not prevent a group health plan, or a health insurance issuer offering group health insurance coverage, from placing an annual limit, with respect to any individual, on specific covered benefits that are not essential health benefits to the extent that such limits are otherwise permitted under applicable law (the annual dollar limit prohibition); and

PHS Act § 2713 which requires non-grandfathered group health plans (or health insurance issuers offering group health insurance plans) to provide certain **preventive services** without imposing any cost-sharing requirements for these services (the preventive services requirements).

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